

## **MINUTES**

### **MONTANA SENATE 64th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chair Bruce Tutvedt, on March 10, 2015 at 8:00 AM, in Room 405 Capitol

#### **ROLL CALL**

**Members Present:**

Sen. Bruce Tutvedt, Chair (R)  
Sen. Fred Thomas, Vice Chair (R)  
Sen. Duane Ankney (R)  
Sen. Dick Barrett (D)  
Sen. Taylor Brown (R)  
Sen. Jill Cohenour (D)  
Sen. Brian Hoven (R)  
Sen. Christine Kaufmann (D) (arrived after roll call).  
Sen. Sue Malek (D)  
Sen. JP Pomnichowski (D)

**Members Excused:** Sen. Mark Blasdel (R)  
Sen. Janna Taylor (R)

**Members Absent:** None

**Staff Present:** Jaret Coles, Legislative Branch  
Julie Ward, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: SB 386, 2/23/2015; SB 374, 2/23/2015

Executive Action: SB 378 - Do Pass As Amended

**HEARING ON SB 386**

**Opening Statement by Sponsor:**

00:01:00 Sen. Jill Cohenour (D), SD 42, opened the hearing on SB 386, Revising late file penalty, filing, and withholding for pass-through entities.

**Proponents' Testimony:**

00:02:29 Gene Walborn, deputy director, Department of Revenue (DOR)

[EXHIBIT\(tas49a01\)](#)

[EXHIBIT\(tas49a02\)](#)

00:15:25 George Olsen, Montana Society of Certified Public Accountants

**Opponents' Testimony:**

00:19:15 Jessie Luther, National Association of Publicly Traded Partnerships

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:21:15 Chairman Tutvedt

00:21:26 Mr. Walborn, DOR

**Closing by Sponsor:**

00:22:23 Sen. Cohenour

**HEARING ON SB 374**

**Opening Statement by Sponsor:**

00:23:55 Sen. Christine Kaufmann (D), SD 40, opened the hearing on SB 374, Revise oil and gas tax rates and provide funding to local governments.

**Proponents' Testimony:**

00:32:40 Heather O'Loughlin, Montana Budget and Policy Center (MBPC)

[EXHIBIT\(tas49a03\)](#)

[EXHIBIT\(tas49a04\)](#)

00:39:29 Adam Haight, Northern Plains Resource Counsel (NPRC)

[EXHIBIT\(tas49a05\)](#)

00:43:53 Wade Sikorski, representing himself

[EXHIBIT\(tas49a06\)](#)

00:47:44 Chairman Tutvedt

00:47:57 Mr. Sikorski, self

00:48:15 Gail Gutsche, self, Montana Organization Project (MOPS)

00:51:00 Derf Johnson, Montana Informational Center (MEIC)

00:52:03 Duane Catlett, Citizens of Montana

[EXHIBIT\(tas49a07\)](#)

01:01:54 Kim Abbott, Montana Human Rights Network (MHRN)

01:02:21 Amy Seaman, Montana Audubon

01:05:51 Neal Ullman, Montana Conservation Voters (MCV)

01:06:25 Kelsen Young, Montana Coalition Against Domestic and Sexual Violence (MCADSV)

**Opponents' Testimony:**

01:08:23 Dave Galt, Montana Petroleum Association (MPA)

[EXHIBIT\(tas49a08\)](#)

01:20:13 Ryan Sullivan, SM Energy Company, Billings

[EXHIBIT\(tas49a09\)](#)

01:21:37 Chairman Tutvedt left the meeting. Sen. Thomas took over duties of the chair.

01:23:21 Roger Kelley, Continental Oil

[EXHIBIT\(tas49a10\)](#)

01:30:04 Jon Metropoulos, Montana Oil and Gas and Coal Counties

01:31:39 Aimee Grmoljez, MDU Exploration

01:33:33 Gary Forrester, representing himself

01:37:00 Bob Gilbert, representing himself

01:42:35 Glenn Oppel, Montana Chamber of Commerce (COM)

01:43:35 Mark Lambrecht, Treasure State Resource Industry Association (TSRIA)

01:43:52 EJ Redding, Roosevelt County Commissioners

**Informational Testimony:**

01:44:18 Van Charlton, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

01:44:37 Chairman Thomas

01:45:43 Ms. O'Loughlin, MBPC

01:46:40 Chairman Thomas

01:46:48 Ms. O'Loughlin

01:47:12 Sen. Brown

01:48:28 Mr. Kelley, Continental Oil

01:50:26 Sen. Brown

01:51:04 Mr. Kelley

01:52:19 Sen. Brown

01:52:44 Mr. Kelley

01:53:18 Sen. Hoven  
 01:54:02 Mr. Sullivan, SM Energy  
 01:54:21 Sen. Hoven  
 01:54:36 Mr. Sullivan  
 01:55:30 Sen. Hoven  
 01:56:28 Mr. Sullivan  
 01:57:32 Sen. Hoven  
 01:57:48 Mr. Sullivan  
 01:57:55 Sen. Hoven  
 01:58:15 Mr. Sullivan  
 01:59:15 Sen. Malek  
 01:59:32 Mr. Galt, MPA  
 02:00:08 Sen. Malek  
 02:00:51 Mr. Galt  
 02:01:23 Sen. Malek  
 02:02:16 Mr. Galt  
 02:02:34 Sen. Hoven  
 02:03:12 Mr. Galt  
 02:04:34 Sen. Hoven  
 02:05:19 Mr. Galt  
 02:05:43 Sen. Hoven  
 02:06:01 Mr. Sullivan  
 02:06:45 Sen. Hoven  
 02:06:55 Mr. Sullivan  
 02:07:12 Sen. Hoven  
 02:08:01 Mr. Charlton, DOR  
 02:09:40 Sen. Barrett  
 02:10:42 Mr. Galt  
 02:11:43 Sen. Barrett  
 02:12:04 Mr. Galt

**Closing by Sponsor:**

02:12:32 Sen. Kaufmann  
 02:21:30 Recess  
 02:31:45 Reconvene  
 02:32:02 Chairman Tutvedt returned to the meeting and resumed the duties of the chair.

**EXECUTIVE ACTION ON SB 378**

02:32:13 **Motion:** Sen. Thomas moved that **SB 378 DO PASS.**  
 02:32:41 **Motion:** Sen. Thomas moved that **SB 378 BE AMENDED.**

**Discussion:**

02:33:02 Jaret Coles, Legislative Services Division (LSD)  
 02:33:13 Sen. Kaufmann

02:33:32 Chairman Tutvedt

02:33:44 **Vote:** Motion carried 9-0 by voice vote. Sen. Blasdel, Sen. Brown and Sen. Malek were excused.

**Discussion:**

02:34:09 Chairman Tutvedt

02:34:48 Sen. Hoven

02:35:13 Chairman Tutvedt

02:35:27 Sen. Hoven

02:35:55 Mr. Coles, LSD

02:37:30 Dan Whyte, Department of Revenue (DOR)

02:38:33 Sen. Hoven

02:38:48 **Motion/Vote:** Sen. Tutvedt moved that **SB 378 DO PASS AS AMENDED.** Motion carried 9-0 by voice vote. Sen. Blasdel, Sen. Brown and Sen. Malek were excused.

02:39:01 Sen. Kaufmann

**Committee Business:**

02:39:33 Chairman Tutvedt

02:39:57 Sen. Thomas

02:40:07 Jaret Coles, Legislative Services Division (LSD)

02:40:22 Chairman Tutvedt

02:41:46 Sen. Kaufmann

02:42:34 Mike Kadas, Department of Revenue (DOR)

[\*\*EXHIBIT\(tas49a11\)\*\*](#)

[\*\*EXHIBIT\(tas49a12\)\*\*](#)

02:47:20 Sen. Thomas

02:47:42 Mr. Kadas, DOR

02:52:45 Sen. Hoven

02:53:02 Mr. Kadas

02:53:51 Chairman Tutvedt

02:54:14 Mr. Kadas

02:54:33 Chairman Tutvedt

02:54:45 Mr. Kadas

02:55:13 Chairman Tutvedt

02:55:31 Mr. Kadas

02:55:40 Sen. Hoven

02:56:44 Mr. Kadas

02:57:15 Edward Caplis, Department of Revenue (DOR)

02:58:50 Sen. Barrett

02:59:47 Mr. Kadas

03:00:10 Sen. Barrett

03:02:26 Sen. Kaufmann

03:03:11 Mr. Caplis, DOR

|          |                                  |
|----------|----------------------------------|
| 03:04:16 | Sen. Kaufmann                    |
| 03:05:06 | Dan Whyte, Department of Revenue |
| 03:05:49 | Chairman Tutvedt                 |
| 03:06:03 | Mr. Kadas                        |
| 03:07:13 | Sen. Hoven                       |
| 03:07:33 | Mr. Caplis                       |
| 03:08:08 | Chairman Tutvedt                 |

**ADJOURNMENT**

Adjournment: 11:15 A.M.

---

Julie Ward, Secretary

jw

Additional Documents:

**EXHIBIT**([tas49aad.pdf](#))